

Korth Quits Navy Post, Nitze to Succeed Him

By GARNETT D. HORNER
Star Staff Writer

The resignation of Fred Korth as Secretary of the Navy was announced by President Kennedy today.

At the same time, the President said he intends to appoint Paul H. Nitze, now Assistant Secretary of Defense for International Security Affairs, to succeed Mr. Korth.

Mr. Nitze will be replaced by William P. Bundy, now serving as Deputy Assistant Secretary of Defense for International Security Affairs.

Carrier Decision Delayed

Earlier last week, Mr. Korth persuaded Secretary of Defense McNamara to delay a decision against placing nuclear-power plants in planned supercarriers. Mr. McNamara agreed to delay the decision so Mr. Korth could present additional arguments in favor of nuclear engines for the carriers.

There was no indication in the exchange of letters between Mr. Kennedy and Mr. Korth that the policy dispute between the Navy and Secretary McNamara was a factor in Mr. Korth's resignation.

White House sources also said there was no connection between the resignation and the controversial TFX fighter plane contract.

The retiring Navy Secretary, who was a Texas banker before his appointment in late 1961, was questioned closely by Senate investigators about the propriety of his actions in connection with the award of the TFX contract to the General Dynamics Corp., which was borrower from his bank.

Mr. Korth submitted his res-



PAUL H. NITZE

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ignation to the President in a letter dated last Friday. He said he was resigning "so that I may return to private business and attend to my pressing private affairs."

He asked that his resignation be made effective on November 1.

Pierre Salinger, White House Press Secretary, said Mr. Korth entered the naval hospital at Bethesda last night for an ear operation. He is expected to be hospitalized about a week.

Mr. Salinger did not indicate whether the need for surgery was a factor in Mr. Korth's resignation.

Mr. Korth could not be reached immediately for comment. An aide said the surgery was minor and would be performed tomorrow.

Addressing him as "Dear

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Fred," the President accepted Mr. Korth's resignation in a letter praising his "real contribution to the advancement of United States national security interests." The President's letter omitted the usual expression of regret in accepting such a resignation.

Reorganization Praised

Mr. Kennedy, however, singled out, for particular praise Mr. Korth's reorganization of the Navy Department, which he said resulted "in far-reaching improvements in Navy readiness and management," the new accounting he established for expendable ammunition stores, steps taken to improve the quality of education in the Naval Academy and "untiring efforts in behalf of the recently enacted military pay bill."

Mr. Nitze, 56, has been serving as assistant Secretary of Defense for International Security Affairs, with Mr. Bundy as his deputy, since the beginning of the Kennedy Administration.

Mr. Nitze has a long history of Government service. He served in the State Department from 1946 to 1953, the last three years as director of the policy planning staff.

From 1953 until 1961, Mr. Nitze was president of the Foreign Service Educational Foundation.

He first entered Government service in 1942, when he left a position as vice president of Dillon, Read & Co., investment bankers, to become financial director of the Office of the Co-ordinator of Inter-American Affairs.

Other Government Service

From 1944 to 1946, he served as vice chairman of the United States Strategic Bombing Survey, for which service he was awarded the Medal for Merit by President Truman.

Mr. Bundy, 46, practiced law here from 1947 to 1951, when he became a member of the Board of National Estimates of the Central Intelligence Agency. He left that position to become Deputy Assistant Secretary of Defense for International Security Affairs in 1961.

Another change in the high command at the Pentagon is anticipated soon. Deputy Secretary of Defense Roswell L. Gilpatric has made known that he plans to return to private life.

But White House sources said today that Mr. Bundy has been set for his resignation.

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